

## **FREQUENTLY ASKED QUESTIONS – SCHOOL-BASED SERVICES CALCULATION OF EXPENDITURES**

### **Q1. Am I required to use the Handbook Appendix 3 worksheet to calculate local expenditures?**

A1. Completion of the Medicaid School-based Services worksheet is optional. School-based services providers may certify expenditures using a different format as long as it provides the same information outlined in the worksheet. The worksheet *must* be retained by the district per standard Wisconsin Medicaid records retention policies and presented upon request for audit purposes.

### **Q2. What is the reporting period?**

A2. The reporting period is based on the state fiscal year (SFY) which runs from July 1<sup>st</sup> through June 30<sup>th</sup> of the appropriate years.

### **Q3. What should I report as direct expenditures?**

A3. Direct expenditures are costs which can be identified specifically with each service provided and include expenses for employee salary and fringe benefits; allocated supervisory and administrative salary and fringe benefits; equipment, materials and supplies; and allocated support services, physical space and depreciation. Other types of expenses which can be directly attributed or allocated to each provided service may also be included.

The reporting of direct expenditures should be consistent with your reporting of direct and indirect expenditures to the Department of Public Instruction (DPI) and with the guidelines in the federal Office of Management and Budget (OMB) Circular A-21.

### **Q4. What should I use as the indirect cost percentage?**

A4. For the indirect cost percentage, use the unrestricted indirect cost percentage calculated using the DPI local education agency (LEA) indirect rate worksheet for the appropriate period.

### **Q5. Can a different allocation basis be used if the number of units of service provided to all students is not available?**

A5. Although it is preferable that the allocation of expenditures to Wisconsin Medicaid be made on the basis of units of service, if this information is not available for all students, the allocation ratio can be based on population, either:

- The number of Wisconsin Medicaid recipients receiving each service compared to the number of all students receiving each service. In each column, divide the number of Wisconsin Medicaid recipients who received each service type by the number of all students who received each service type during the reporting period, or
- If the number of students receiving each service is not available, the number of Wisconsin Medicaid recipients receiving all services compared to the number of all students receiving all services. In each column, divide the number of Wisconsin Medicaid recipients who received all service types by the number of all students who received all service types during the reporting period.

### **Q6. What are the units of service during the 2004-2005 reporting periods?**

A6. For SFY 05, the units of service are:

- For speech therapy, occupational therapy, physical therapy, psychological counseling/social work, developmental testing, and nursing each unit of service is 15 minutes.
- For transportation, each unit of service is 1 mile or the number of trips (base rate).
- For durable medical equipment, each unit of service is 1 piece of equipment.

Note: For SFY 06, transportation changed to a per trip rate and is not applicable to the 2004-2005 SFY.